Article - Alcoholic Beverages

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§2–216.

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Advertisement" includes a graphic or nongraphic sign, display, poster, and placard.
 - (3) "Manufacturing entity" means:
- (i) a holder of a manufacturer's license or a person connected with the business of the holder; or
- (ii) a distiller, nonresident dealer, resident dealer, brewer, rectifier, blender, or bottler of alcoholic beverages.
 - (b) Except as otherwise provided in this section:
 - (1) a manufacturing entity may not have a financial interest in:
- (i) the premises on or in which a license holder sells alcoholic beverages at retail; or
 - (ii) a business that a license holder conducts;
- (2) a manufacturing entity may not lend money or any other thing of value, make a gift, or offer a gratuity to a retail dealer;
- (3) a retail dealer may not accept, receive, or make use of money, a gift, or an advertisement provided by a manufacturing entity or become indebted to a manufacturing entity except for the purchase of alcoholic beverages and allied products purchased for resale; and
- (4) a manufacturing entity may not provide an advertisement to a retail dealer.
 - (c) (1) This subsection applies only to brewed products.
- (2) (i) Except as provided in subsection (e) of this section, a brewer, nonresident dealer, or resident dealer may not provide to a retail license holder an advertisement that:

- 1. is worth more than \$150; and
- 2. advertises the beer or malt products of a particular brewer, nonresident dealer, resident dealer, or beer wholesaler.
- (ii) An advertisement provided in accordance with this subsection shall contain brand information that is prominent, permanent, and equal to the life and value of the utilitarian character of the advertising item.
 - (d) (1) This subsection applies only to wine and liquor.
- (2) An advertisement for use in windows or elsewhere on a retail liquor establishment may be given to a retailer by a brand owner who is engaged in the business of a manufacturing entity, if:
- (i) the utilitarian value is secondary and only incidental to the value as an advertisement;
- (ii) the total value of an item provided by a brand owner for each of its individual brands for use in any one retail establishment at any one time is not more than \$150 for each individual brand; and
- (iii) the cost of installing these materials does not exceed the usual cost in the locality.
- (3) (i) In lieu of premanufactured advertising material, materials and labor may be provided by a brand owner for the custom manufacture of an advertising display that:
 - 1. is worth not more than \$150;
 - 2. is temporary; and
 - 3. has no other utilitarian value.
- (ii) A manufacturer, nonresident dealer, resident dealer, or brand owner may not undertake a plan that directly or indirectly results in the purchase of advertising materials, supplies, or services by a wholesaler's license holder or retail license holder.
- (iii) A retail license holder may not participate directly or indirectly in a transaction in which the license holder pays for or shares the cost for

any of the advertising materials, supplies, services, or mailing expenses used to promote a brand owner's products.

- (e) (1) Subsections (b) and (c) of this section do not apply to:
- (i) a holder of a Class 6 pub-brewery license with respect to the malt beverages brewed on the premises; or
- (ii) a holder of a Class 7 micro-brewery license with respect to the malt beverages brewed on the premises that are sold:
 - 1. on the licensed premises of the brewery; or
- 2. in a restaurant or brewery pub owned, conducted, and operated by the holder in or adjacent to the brewery for which it is licensed.
- (2) A holder of a Class 6 pub-brewery license or a Class 7 microbrewery license may hold or have a financial interest in one retail license that does not apply to premises to which a Class 6 pub-brewery license or Class 7 microbrewery license applies.

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